

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION OF WARREN COUNTY WATER)
DISTRICT, WARREN COUNTY, KENTUCKY, (A))
FOR A CERTIFICATE OF CONVENIENCE AND)
NECESSITY, PURSUANT TO KRS 278.020 AND)
278.023, AUTHORIZING SAID DISTRICT TO)
CONSTRUCT IMPROVEMENTS AND EXTENSIONS)
TO ITS EXISTING WATER SYSTEM, WHICH)
IMPROVEMENTS AND EXTENSIONS WILL BE)
FINANCED IN WHOLE OR IN PART UNDER THE)
TERMS OF AN AGREEMENT BETWEEN THE WATER)
DISTRICT AND THE U. S. FARMERS HOME)
ADMINISTRATION; (B) FOR AUTHORITY TO)
ISSUE CERTAIN SECURITIES AS REQUIRED BY)
KRS 278.300; AND (C) FOR APPROVAL OF)
WATER RATES AND CHARGES)

CASE NO. 94-494

O R D E R

On December 16, 1994, Warren County Water District ("Warren Water") submitted to the Commission an application for a Certificate of Public Convenience and Necessity to construct a \$2,688,000 waterworks improvement project, for approval of its plan of financing for this project, and for adjustments to its water service rates. This project will make water system improvements. Project funding includes a \$2,633,000 bond issue to be purchased pursuant to an agreement with Farmers Home Administration ("FmHA"), and \$55,000 in Warren Water funds.

Warren Water's application was made pursuant to KRS 278.023, which requires the Commission to accept agreements between water districts and the U. S. Department of Agriculture or the U. S. Department of Housing and Urban Development and to issue the

necessary orders to implement the terms of such agreements within 30 days of satisfactory completion of the minimum filing requirements. Minimum filing requirements were met in this case on December 16, 1994. KRS 278.023 does not grant the Commission any discretionary authority to modify or reject any portion of this agreement.

IT IS THEREFORE ORDERED that:

1. Warren Water is hereby granted a Certificate of Public Convenience and Necessity for the proposed construction project.

2. Warren Water's proposed plan of financing with FmHA is accepted.

3. Warren Water shall file a copy of the "as-built" drawings and a certified statement that the construction has been satisfactorily completed in accordance with the contract plans and specifications within 60 days of the substantial completion of the construction certificated herein.

4. The rates set out in Appendix A, which is attached hereto and incorporated herein, are the rates approved for service rendered on and after the date of this Order.

5. Warren Water shall submit its revised tariff setting out the rates in Appendix A within 30 days of the date of this Order.

6. Warren Water shall monitor the adequacies of the expanded water distribution system after construction. If the level of service is inadequate or declining or the pressure to any customer falls outside the requirements of 807 KAR 5:066, Section 5(1),

Warren Water shall take immediate action to bring the system into compliance with Commission regulations.

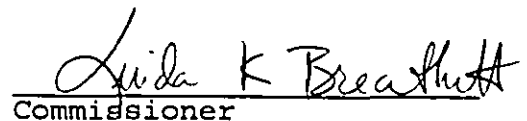
Nothing contained herein shall be deemed a warranty of the Commonwealth of Kentucky, or any agency thereof, of the financing herein accepted.

Done at Frankfort, Kentucky, this 11th day of January, 1995.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:


Executive Director

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 94-494 DATED JANUARY 11, 1995

The following rates and charges are prescribed for the customers in the area served by Warren County Water District. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of this Commission prior to the effective date of this Order.

5/8 x 3/4 Inch Meter

First	2,000 Gallons	\$8.62 Minimum Bill
Next	8,000 Gallons	2.29 Per 1,000 Gallons
Next	90,000 Gallons	1.83 Per 1,000 Gallons
Next	900,000 Gallons	1.48 Per 1,000 Gallons
Over	1,000,000 Gallons	1.19 Per 1,000 Gallons

3/4 Inch Meter

First	3,000 Gallons	\$11.14 Minimum Bill
Next	7,000 Gallons	2.29 Per 1,000 Gallons
Next	90,000 Gallons	1.83 Per 1,000 Gallons
Next	900,000 Gallons	1.48 Per 1,000 Gallons
Over	1,000,000 Gallons	1.19 Per 1,000 Gallons

1 Inch Meter

First	5,000 Gallons	\$16.30 Minimum Bill
Next	5,000 Gallons	2.29 Per 1,000 Gallons
Next	90,000 Gallons	1.83 Per 1,000 Gallons
Next	900,000 Gallons	1.48 Per 1,000 Gallons
Over	1,000,000 Gallons	1.19 Per 1,000 Gallons

1 1/2 Inch Meter

First	10,000 Gallons	\$30.63 Minimum Bill
Next	90,000 Gallons	1.83 Per 1,000 Gallons
Next	900,000 Gallons	1.48 Per 1,000 Gallons
Over	1,000,000 Gallons	1.19 Per 1,000 Gallons

2 Inch Meter

First	16,000 Gallons	\$43.33 Minimum Bill
Next	84,000 Gallons	1.83 Per 1,000 Gallons
Next	900,000 Gallons	1.48 Per 1,000 Gallons
Over	1,000,000 Gallons	1.19 Per 1,000 Gallons

3 Inch Meter

First	30,000 Gallons	\$111.09 Minimum Bill
Next	70,000 Gallons	1.83 Per 1,000 Gallons
Next	900,000 Gallons	1.48 Per 1,000 Gallons
Over	1,000,000 Gallons	1.19 Per 1,000 Gallons

4 Inch Meter

First	50,000 Gallons	\$159.18 Minimum Bill
Next	50,000 Gallons	1.83 Per 1,000 Gallons
Next	900,000 Gallons	1.48 Per 1,000 Gallons
Over	1,000,000 Gallons	1.19 Per 1,000 Gallons

6 Inch Meter

First	100,000 Gallons	\$267.73 Minimum Bill
Next	900,000 Gallons	1.48 Per 1,000 Gallons
Over	1,000,000 Gallons	1.19 Per 1,000 Gallons

8 Inch Meter

First	160,000 Gallons	\$373.73 Minimum Bill
Next	840,000 Gallons	1.48 Per 1,000 Gallons
Over	1,000,000 Gallons	1.19 Per 1,000 Gallons

10 Inch Meter

First	550,000 Gallons	\$979.59 Minimum Bill
Next	450,000 Gallons	1.48 Per 1,000 Gallons
Over	1,000,000 Gallons	1.19 Per 1,000 Gallons